# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



### FISCAL MEMORANDUM

HB 849 - SB 999

February 21, 2023

SUMMARY OF BILL AS AMENDED (004132): Requires the Department of Education (DOE) to create and implement a two-year pilot program that awards grants to rural pathway partnerships to expand access to high-quality college and career pathways for students in grades nine through twelve (9-12). Requires DOE to begin accepting grant applications for the pilot program no later than September 1, 2023, and to distribute grants to partnerships no later than December 1, 2023. Establishes grant eligibility criteria. Subject to appropriations, establishes the total amount of grants provided to partnerships pursuant to this section is \$3,000,000. Requires DOE to award a grant pursuant to one partnership from each grand division. Requires DOE to study the effectiveness of the pilot program and to submit a report to the chairs of education committees in the Senate and the House of Representatives by December 1, 2025. Repeals this section on December 1, 2025.

#### FISCAL IMPACT OF BILL AS AMENDED:

#### Increases State Expenditures - \$3,000,000/FY23-24

Assumptions for the bill as amended:

- The proposed legislation requires a pathway partnership to be a cooperative between at least:
  - o Two rural districts, but not more than three rural districts;
  - o One institution of higher education partner; and
  - o One workforce-focused entity.
- DOE will be able to accept and award grant applications and comply with reporting requirements within existing resources.
- Grant awardees will be able to meet the requirements of the pilot program with funding provided through the grant award.
- It is assumed that all available grant awards will be dispensed and that all grants will be distributed by December 1, 2023.
- The pilot program will increase state expenditures by \$3,000,000 in FY23-24.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner, Executive Director

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